

AUTHORIZED PERSONNEL POSITIONS - BY DEPARTMENT

Appendix

	Actual 2004/05	Adopted 2005/06	Estimated 2005/06	Adopted 2006/07
General Government				
Full-time	210.00	212.00	212.00	217.00
Part-time	4.95	4.95	4.95	5.20
Total FTE	214.95	216.95	216.95	222.20
Police				
Full-time	627.00	674.00	674.00	700.00
Part-time	3.10	2.10	2.10	2.60
Total FTE	630.10	676.10	676.10	702.60
Financial Services				
Full-time	139.00	144.00	146.00	148.00
Part-time	4.00	4.00	3.00	3.00
Total FTE	143.00	148.00	149.00	151.00
Transportation				
Full-time	36.00	40.00	40.00	45.00
Part-time	1.35	-	-	-
Total FTE	37.35	40.00	40.00	45.00
Community Services				
Full-time	322.00	355.00	357.00	372.00
Part-time	178.89	190.67	190.67	194.55
Grant	11.75	11.75	11.75	11.75
Total FTE	512.64	557.42	559.42	578.30
Information Systems				
Full-time	78.00	80.00	80.00	83.00
Part-time	0.81	0.81	0.81	0.81
Total FTE	78.81	80.81	80.81	83.81
Fire				
Full-time	258.00	260.00	259.00	259.00
Part-time	2.68	-	-	-
Total FTE	260.68	260.00	259.00	259.00
Water Resources				
Full-time	138.00	152.00	152.00	162.00
Part-time	1.00	0.50	0.50	-
Total FTE	139.00	152.50	152.50	162.00
Municipal Services				
Full-time	216.00	232.00	232.00	253.00
Part-time	3.00	3.00	3.00	2.75
Total FTE	219.00	235.00	235.00	255.75
Citizen & Neighborhood Resources				
Full-time	35.00	40.00	39.00	40.00
Part-time	-	-	-	-
Grant	1.00	1.00	-	-
Total FTE	36.00	41.00	39.00	40.00
Human Resources				
Full-time	33.00	33.00	34.00	35.00
Part-time	2.50	2.50	1.50	1.50
Total FTE	35.50	35.50	35.50	36.50
Economic Vitality				
Full-time	10.00	11.00	11.00	11.00
Part-time	-	-	-	-
Total FTE	10.00	11.00	11.00	11.00
Planning and Development Services				
Full-time	140.00	143.00	142.00	158.00
Part-time	-	1.00	2.00	3.00
Total FTE	140.00	144.00	144.00	161.00
Total Full-time Position FTE	2,242.00	2,376.00	2,378.00	2,483.00
Total Part-time Position FTE	202.28	209.53	208.53	213.41
Total Grant Funded Position FTE	12.75	12.75	11.75	11.75
Total Citywide Position FTE	2,457.03	2,598.28	2,598.28	2,708.16

NOTE:

The budget includes funding for various services rendered by temporary or seasonal staffing, which is not included in the calculation of the full time equivalent (FTE) count. These slots are short-term and/or transitional in nature such as those in the Police and Fire pipelines. The number of slots listed below represents the number of positions allocated to each service area. The Human Resources Department uses the number of slots allocated solely for administrative control purposes. Fiscal control for these slots is maintained through the budget. However, due to the limited nature of the services performed by these slots, they are not considered part of the City's overall FTE count.

Recreation Specialists - are for up to 165 seasonal slots throughout various times of the year. The funding for these slots is included in the Community Services Department budget.

Police Reserve Officers - provide resources to assist the Police Department with sporadic spikes in the workload or special projects. When needed, up to 10 retired officer slots are available to assist. Funding for these slots is included in the Police Department budget.

Police Pipeline Officers - are used for up to 31 cadet slots while they are in the police academy or after completing the academy and waiting for a sworn police position. The funding for these slots is included in the Police Department budget.

Fire Pipeline Firefighters - are used for up to 38 cadet slots while they are in the fire academy or after completing the academy and waiting for a sworn fire position. The funding for these slots is included in the Fire Department budget.

Fire Support - is used to compensate up to 40 non-fire department employee slots that serve on an "as needed" basis to support the firefighters. The funding for these slots is included in the Fire Department budget.

Temporary Workers - are slots used when the work circumstances necessitate a temporary assignment or reassignment of an employee. While the Human Resources Department manages these 20 slots, no funding is included in the budget for these slots. Funding would typically come from within a department's accepted budget.

AUTHORIZED PERSONNEL POSITIONS - BY FUND

Appendix

	Adopted 2006/07	General Fund	Transportation	Special Revenue	Enterprise	Internal Service	Total
General Government							
Full-time	217.00	214.00	-	3.00	-	-	217.00
Part-time	5.20	3.12	-	2.08	-	-	5.20
Total FTE	222.20	217.12	-	5.08	-	-	222.20
Police							
Full-time	700.00	699.00	-	1.00	-	-	700.00
Part-time	2.60	2.60	-	-	-	-	2.60
Total FTE	702.60	701.60	-	1.00	-	-	702.60
Financial Services							
Full-time	148.00	115.00	-	-	25.00	8.00	148.00
Part-time	3.00	3.00	-	-	-	-	3.00
Total FTE	151.00	118.00	-	-	25.00	8.00	151.00
Transportation							
Full-time	45.00	-	30.00	-	15.00	-	45.00
Part-time	-	-	-	-	-	-	-
Total FTE	45.00	-	30.00	-	15.00	-	45.00
Community Services							
Full-time	372.00	370.00	-	2.00	-	-	372.00
Part-time	194.55	187.19	-	7.36	-	-	194.55
Grant	11.75	-	-	11.75	-	-	11.75
Total FTE	578.30	557.19	-	21.11	-	-	578.30
Information Systems							
Full-time	83.00	83.00	-	-	-	-	83.00
Part-time	0.81	0.81	-	-	-	-	0.81
Total FTE	83.81	83.81	-	-	-	-	83.81
Fire							
Full-time	259.00	259.00	-	-	-	-	259.00
Part-time	-	-	-	-	-	-	-
Total FTE	259.00	259.00	-	-	-	-	259.00
Water Resources							
Full-time	162.00	-	-	-	162.00	-	162.00
Part-time	-	-	-	-	-	-	-
Total FTE	162.00	-	-	-	162.00	-	162.00
Municipal Services							
Full-time	253.00	55.00	59.00	2.00	83.00	54.00	253.00
Part-time	2.75	-	-	0.50	2.25	-	2.75
Total FTE	255.75	55.00	59.00	2.50	85.25	54.00	255.75
Citizen & Neighborhood Resources							
Full-time	40.00	40.00	-	-	-	-	40.00
Part-time	-	-	-	-	-	-	-
Total FTE	40.00	40.00	-	-	-	-	40.00
Human Resources							
Full-time	35.00	35.00	-	-	-	-	35.00
Part-time	1.50	1.50	-	-	-	-	1.50
Total FTE	36.50	36.50	-	-	-	-	36.50
Economic Vitality							
Full-time	11.00	11.00	-	-	-	-	11.00
Part-time	-	-	-	-	-	-	-
Total FTE	11.00	11.00	-	-	-	-	11.00
Planning and Development Services							
Full-time	158.00	158.00	-	-	-	-	158.00
Part-time	3.00	3.00	-	-	-	-	3.00
Total FTE	161.00	161.00	-	-	-	-	161.00
Total Full-time Position FTE	2,483.00	2,039.00	89.00	8.00	285.00	62.00	2,483.00
Total Part-time Position FTE	213.41	201.22	-	9.94	2.25	-	213.41
Total Grant Funded Position FTE	11.75	-	-	11.75	-	-	11.75
Total Citywide Position FTE	2,708.16	2,240.22	89.00	29.69	287.25	62.00	2,708.16

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Budget Liaisons and CIP Liaisons

Budget Liaisons and **CIP Liaisons** coordinate the budget within their respective departments. The Budget Liaison serves as the vital communication link between their City department and their Financial Services Department Senior Budget Analyst on matters related to their specific operating budget. Budget Liaisons are responsible for coordinating information, checking to see if forms are completed properly, making sure that all necessary documentation is submitted, monitoring the internal review process to meet timelines, and serving as troubleshooters for problems throughout the budget process. The **CIP Liaisons** (identified with an asterisk) essentially serve the same role; however, their focus is on coordination of capital projects and multiyear capital planning with the Financial Services Department staff. In many cases the same individual serves both roles.

General Government

Office of the City Clerk Linda Lorbeer
 City Manager's Office Judy McIlroy
 City Attorney & ProsecutionJan Callahan/Sue Mitrisin*
 Communications & Public Affairs ..Pat Dodds*/Maggie Wilson
 City Court Jack Miller*
 City Auditor Mike Worth
 Legislative & Constituent/Gov Relations.. Elizabeth Weir
 Preservation Department.... Susan Quinet/ Bob Cafarella*
 The Downtown Group Renita Linyard
 WestWorld Jennifer Bowley*

Police Department Holly Christian*/Melissa Miller

Financial Services Department Lee Guillroy*

Transportation Department Mike Spletter*
 Aviation Chris Read*

Community Services Depart... Jeanne Jones/Tim Barnard*

Information Systems Department Jennifer Jensen*

Fire Department Teresa Martin/Rich Upham*

Water Resources Department Rick Gregoire/Ron Dolan*

Municipal Services Department Teri Huston*

Citizen and Neigh. Resources Dept. Carrie Abts*

Human Resources Department Joe Kisler*

Economic Vitality Department Kathy Montalvo*

Planning & Dev. Services Dept. Dan VandenHam*

Capital Improvement Plan Coordination Teams

The **Capital Improvement Plan Coordination Teams** are comprised of staff from various City departments. The teams are responsible for reviewing all capital projects (construction and technology) for timing and cost considerations, compiling lifecycle costs, and preparing a preliminary capital improvement plan recommendation for review and revision by the General Managers, City Manager, Deputy/Assistant City Managers, Chief Financial Officer, Budget Director, CIP Coordinator, City Council Budget Subcommittee, City Council and various boards and commissions comprised of citizens.

CIP Construction Review Team

Police Department
 Marc Eisen
 Fire Department
 Rich Upham
 Information Systems Department
 Rich Peterson
 Water Resources
 Ron Dolan
 Municipal Services Department
 Alex McLaren
 Jeremy Dye
 Planning and Development Services Department
 Tim Conner
 City Court
 Daniel Edwards

CIP Technology Review Team

Police Department
 Mike Morrison
 Financial Services Department
 Jacob Beard
 Erica Stierle
 Information Systems Department
 Jennifer Jensen
 John Krusemark
 Eric Wood
 Cindy Sheldon
 Joe Stowell
 Shannon Tolle
 Planning and Development Services Department
 Jason Song

DEBT SERVICE EXPENSE

Appendix

	Forecast 2005/06	Forecast 2006/07	Forecast 2007/08	Forecast 2008/09	Forecast 2009/10	Forecast 2010/11	Final Payment Date
General Obligation Bonds							
Debt Service Fund:							
1993 G. O. Refunding	3,514,605	3,089,730	2,627,690	2,690,250			06/30/09
1993A G. O. Refunding	147,140						06/30/06
1997 Refunding Bonds	1,956,532	3,989,450	3,968,000	3,974,462	4,027,000	2,418,950	06/30/14
1989 Series I (1998)	1,208,320	1,190,470	1,190,480	177,800	177,800	177,800	06/30/18
1999A G.O. Bonds	1,279,325	1,261,075	1,260,475	1,257,000			06/30/09
2001 G.O. Refunding Bonds	2,496,519	481,319	478,606	1,330,806	367,650	3,007,650	06/30/12
2002 Various Purpose G.O. Bonds	2,627,750	2,603,500	2,580,250	2,562,750	550,500	1,638,000	06/30/11
2002 G.O. Refunding Bonds	5,598,662	5,596,912	5,607,162	5,764,112	8,772,725	10,359,475	06/30/16
2003 G.O. Refunding Bonds	607,044	2,140,919	2,146,294	2,159,431	5,933,731	1,965,556	06/30/13
2004 G.O. Var. Purpose	2,088,125	2,088,125	2,088,125	2,088,125	2,088,125	2,088,125	06/30/21
2005 G.O. Refunding Bonds	427,000	427,000	427,000	427,000	427,000	427,000	06/30/14
2005A G.O. Var. Purpose	3,277,313	8,118,250	8,530,750	8,410,750	8,540,750	8,660,750	06/30/24
Fiscal Agent Fees	10,500	10,500	10,500	10,500	10,500	10,500	
Total Existing Var. Purp. G.O. Bonds	25,238,835	30,997,250	30,915,332	30,852,986	30,895,781	30,753,806	
Future Bond-Series 2007 Var. Purpose (\$88.1M iss. 11/07)			4,266,667	6,858,500	4,744,882	4,867,330	06/30/27
Future Bond-Series 2009 Var. Purpose (\$69.1M iss. 11/09)					4,643,333	3,338,000	06/30/29
Fiscal Agent Fees			1,000	1,000	2,000	2,000	
Total Future Var. Purp. G.O. Bonds			4,267,667	6,859,500	9,390,215	8,207,330	
Total Debt Service Fund- Property Tax	25,238,835	30,997,250	35,182,999	37,712,486	40,285,996	38,961,136	
Water Utility Fund:							
1993 Refunding	5,473,000						06/30/06
1993A Refunding	1,382,065						06/30/06
Fiscal Agent Fees	2,000						
Total Water Utility Fund - Water Rates	6,857,065	0	0	0	0	0	
Preserve Sales Tax Fund							
1999 Preserve G.O. Bonds	2,138,125	2,114,375	2,058,125	2,021,250	0	0	06/30/09
2001 Preservation G.O. Bonds	1,283,775	1,262,538	1,244,000	1,248,000	0	0	06/30/09
2001 G.O. Refunding Bonds-Preservation Portion	1,488,913	1,488,913	1,488,913	1,488,913	1,488,913	1,488,913	06/30/22
2002 G.O. Bonds-Preservation Portion	277,613	277,613	277,613	277,613	277,613	277,613	06/30/24
2002 G.O. Refunding Bonds-Preservation Portion	360,693	360,693	360,693	360,693	360,693	360,693	06/30/19
2004 Preservation GO	4,756,300	5,188,300	2,878,300	2,878,300	5,978,300	7,323,300	06/30/25
2005 G.O. Refunding Bonds-Preservation Portion	2,838,128	2,838,128	2,838,128	2,838,128	2,838,128	2,838,128	06/30/24
2005B G.O. Bonds-Preservation Portion	519,600	1,665,744	1,663,619	1,681,619	1,672,619	1,662,619	06/30/24
Fiscal Agent Fees	5,000	5,000	5,000	5,000	5,000	5,000	
Total Existing Preserve Debt Service	13,668,147	15,201,304	12,814,391	12,799,516	12,621,266	13,956,266	
Future Bond-Series 2010 Preserve (\$210M iss. 11/10)						8,812,812	06/30/34
Fiscal Agent Fees						1,000	
Total Future Preserve G.O. Bonds	0	0	0	0	0	8,813,812	
Total Preserve Debt Service-Preserve Sales Tax	13,668,147	15,201,304	12,814,391	12,799,516	12,621,266	22,770,078	
Total General Obligation Bonds (G.O. Bonds)	45,764,047	46,198,554	47,997,390	50,512,002	52,907,262	61,731,214	
Certificates of Participation							
General Fund							
2005 Certificates of Participation - Fire & Police Building	916,790	916,790	916,790	916,790	916,790	916,790	06/30/15
Fiscal Agent Fees	1,000	1,000	1,000	1,000	1,000	1,000	
Total Certificates of Participation	917,790	917,790	917,790	917,790	917,790	917,790	

DEBT SERVICE EXPENSE

Appendix

	Forecast 2005/06	Forecast 2006/07	Forecast 2007/08	Forecast 2008/09	Forecast 2009/10	Forecast 2010/11	Final Payment Date
Revenue Bonds							
Transportation - Highway User Revenue Fund:							
1993 Refunding	3,141,294	3,154,450					06/30/07
Fiscal Agent Fees	1,000	1,000					
Total Transportation - Highway User Fund	3,142,294	3,155,450	0	0	0	0	
Water Utility Fund:							
1996 Refunding Bonds	620,271	624,092	626,063	626,130	246,240	235,940	06/30/14
2004 Water Sewer Refunding Bonds	102,049	102,273	102,739	300,877	300,850	298,734	06/30/16
Fiscal Agent Fees	1,000	1,000	1,000	1,000	1,000	1,000	
Total Water Utility Fund	723,320	727,364	729,802	928,007	548,090	535,673	
Sewer Utility Fund:							
1996 Refunding Bonds	528,379	531,634	533,313	533,370	209,760	200,986	06/30/14
1989 Series D (1997)	1,080,906	1,075,438	1,069,562	362,500	362,500	362,500	06/30/22
1989 Series E (1998)	3,052,575	3,008,275	2,969,775	1,236,375	1,236,375	1,236,375	06/30/23
2004 Water Sewer Refunding Bonds	1,127,452	1,129,927	1,135,086	3,324,148	3,323,850	3,300,466	06/30/16
Fiscal Agent Fees	2,000	2,000	2,000	2,000	2,000	2,000	
Total Sewer Utility Fund	5,791,312	5,747,274	5,709,735	5,458,393	5,134,485	5,102,327	
Total Revenue Bonds	9,656,925	9,630,088	6,439,537	6,386,400	5,682,575	5,638,000	
Municipal Prop. Corp. (MPC) Bonds							
Excise Debt Fund:							
1998 Various Purposes	190,800	184,000	187,200				06/30/08
2004A MPC ASU Foundation Bonds	1,930,838	1,930,838	1,930,838	1,930,838	2,850,838	2,850,938	06/30/34
2005 MPC Giants Practice Field MSA funded	87,775	84,040	159,032	97,372	204,028	112,370	06/30/21
2005 MPC Giants Practice Field TSA funded	175,575	168,104	318,112	194,772	408,116	224,774	06/30/21
2005D MPC Westworld Land Acquisition	1,304,807	2,436,813	2,454,813	2,447,500	2,436,250	2,425,000	06/30/35
Fiscal Agent Fees	35,000	35,000	35,000	35,000	35,000	35,000	
Total Existing Excise Debt Fund	3,724,795	4,838,795	5,084,995	4,705,482	5,934,232	5,648,082	
Future Bonds - Loloma Museum (\$3.75M Mar 2007) GF funded		144,867	286,823	297,166	303,117	307,664	06/30/26
Future Bonds - Loloma Museum (\$3.75M Mar 2007) Bed Tax funded		144,867	286,823	297,166	303,117	307,664	06/30/26
Future Bonds - TPC (\$10M) 7/1/06; GF funded		800,000	800,000	800,000	800,000	800,000	06/30/26
Fiscal Agent Fees		4,000	4,000	4,000	4,000	4,000	
Total Future Excise Debt Fund	0	1,093,734	1,377,646	1,398,332	1,410,234	1,419,328	
Total Excise Debt Fund	3,724,795	5,932,529	6,462,641	6,103,814	7,344,466	7,067,410	
Solid Waste Fund:							
1995 Transfer Station	1,485,000						06/30/06
Fiscal Agent Fees	4,000						
Total Solid Waste Fund	1,489,000	0	0	0	0	0	
Water Fund:							
2001 Scottswater	1,804,550	1,868,900	1,908,400				06/30/08
2004 Water & Sewer	4,713,647	4,667,813	4,619,230	4,571,563	4,535,630	4,496,030	06/30/24
2005E Water & Sewer	2,577,167	4,418,000	4,418,000	6,693,000	6,604,250	6,589,250	06/30/30
Fiscal Agent Fees	4,000	4,000	4,000	4,000	4,000	4,000	
Total Existing Water Fund	9,099,364	10,958,713	10,949,630	11,268,563	11,143,880	11,089,280	
Future Bonds - Water/Sewer (\$100 mil Nov 2007)	0	0	3,333,333	5,000,000	7,110,226	7,110,226	06/30/32
Total Water Fund	9,099,364	10,958,713	14,282,963	16,268,563	18,254,106	18,199,506	
Sewer Fund:							
2004 Water & Sewer	1,714,053	1,697,387	1,679,720	1,662,387	1,649,320	1,634,920	06/30/24
Total Sewer Fund	1,714,053	1,697,387	1,679,720	1,662,387	1,649,320	1,634,920	
Total MPC Bonds	16,027,212	18,588,629	22,425,324	24,034,764	27,247,892	26,901,836	

DEBT SERVICE EXPENSE

Appendix

	Forecast 2005/06	Forecast 2006/07	Forecast 2007/08	Forecast 2008/09	Forecast 2009/10	Forecast 2010/11	Final Payment Date
<u>Scottsdale Preserve Authority</u>							
Series 1998	4,120,275	4,112,275	4,102,375	1,680,275	1,680,275	1,680,275	06/30/24
Series 2001 Refunding	1,520,246	1,525,921	1,518,296	1,515,296	1,515,976	1,515,320	06/30/22
Series 2004 Refunding	1,164,200	1,162,700	1,161,200	3,564,700	3,535,500	3,503,500	06/30/16
Fiscal Agent Fees	8,000	8,000	8,000	8,000	8,000	8,000	
Total Preserve Bonds	6,812,721	6,808,896	6,789,871	6,768,271	6,739,751	6,707,095	
<u>Contracts Payable</u>							
General Fund:							
U.S. Corps of Engineers - IBW	231,166	231,166	231,166	231,166	231,166	231,166	2032
Dial Corp	37,000	37,000	37,000				2008
US Patent Office				3,080			2009
Nordstrom Garage Lease	3,203,690	3,331,837	3,465,111	3,603,715	3,747,864	3,897,779	2028
Nordstrom Garage Sales Tax	68,879	71,634	74,500	77,480	80,579	83,802	2028
BOR Administration/Westworld	55,000	55,000	55,000	55,000	55,000	55,000	2033
BOR Administration/TPC	55,000	55,000	55,000	55,000	55,000	55,000	2035
Promenade	643,114	-	-	-	-	-	2006
Waterfront Retail Sales Tax Rebate	-	80,000	84,000	88,200	92,610	97,241	2012
Waterfront Construction Sales Tax Rebate	-	350,000	350,000	350,000	350,000	350,000	2011
Hotel Valley Ho	67,000	22,000	22,660	23,340	24,040	24,761	2019
Stacked 40's/Lund - Retail Sales Tax Rebate	-	545,000	572,250	600,863	630,906	662,451	2014
Stacked 40's/Lund - Construction Sales Tax Rebate	-	50,000	-	-	-	-	2014
Motor Mile Marketing	300,000	300,000	300,000	300,000	300,000	-	2010
Total General Fund	4,660,849	5,128,637	5,246,687	5,387,844	5,567,165	5,457,200	
Special Revenue Fund:							
McDowell Sonoran Preserve	951,765	952,290	955,780	952,480	951,855	954,175	2013
Total Special Revenue Fund	951,765	952,290	955,780	952,480	951,855	954,175	
Special Assessments Fund:							
Series 104	18,063	18,181	16,779	15,377	13,561	-	2010
Total Special Assessments Fund	18,063	18,181	16,779	15,377	13,561	-	
Total Contracts Payable	5,630,677	6,099,108	6,219,246	6,355,701	6,532,581	6,411,375	
<u>Special Assessment Bonds</u>							
Existing Districts	1,101,884	1,064,203	1,026,522	988,841	868,125	834,375	01/01/13
Fiscal Agent Fees	2,500	2,500	2,000	2,000	1,000	1,000	
Future Districts	-	-	-	-	-	-	
Total Special Assessment Bonds	1,104,384	1,066,703	1,028,522	990,841	869,125	835,375	
TOTAL DEBT SERVICE	85,913,757	89,309,768	91,817,680	95,965,769	100,896,976	109,142,685	

LONG-TERM DEBT OUTSTANDING

Appendix

Long-Term Debt Outstanding As of 6/30/06 through 6/30/10						
	Balance at 6/30/06	Balance at 6/30/07	Balance at 6/30/08	Balance at 6/30/09	Balance at 6/30/10	Final Payment Date
General Obligation Bonds						
1993 G.O. Refunding	\$ 7,590,000	\$ 4,910,000	\$ 2,550,000	\$ -	\$ -	06/30/09
1997 Refunding	18,780,000	15,800,000	12,685,000	9,400,000	5,890,000	06/30/14
1989 Series I (1998)	6,345,000	5,415,000	4,445,000	4,445,000	4,445,000	06/30/18
1999 A	3,450,000	2,350,000	1,200,000	-	-	06/30/09
1999	5,500,000	3,750,000	1,925,000	-	-	06/30/09
2001	3,455,000	2,350,000	1,200,000	-	-	06/30/09
2001 Refunding	36,620,000	36,550,000	36,480,000	35,555,000	35,555,000	06/30/22
2002	14,525,000	12,360,000	10,110,000	7,765,000	7,315,000	06/30/24
2002 Refunding	58,445,000	55,120,000	51,685,000	47,990,000	41,125,000	06/30/19
2003 Refunding	14,925,000	13,340,000	11,710,000	10,020,000	4,505,000	06/30/13
2004	110,100,000	107,900,000	107,900,000	107,900,000	104,800,000	06/30/25
2005 Refunding	74,630,000	74,630,000	74,630,000	74,630,000	74,630,000	06/30/24
2005A	125,000,000	122,500,000	119,500,000	116,500,000	113,250,000	06/30/24
2005B	20,000,000	19,225,000	18,425,000	17,575,000	16,700,000	06/30/24
Future Bonds	-	-	86,770,000	84,250,000	150,477,618	06/30/34
Total G.O. Bonds	499,365,000	476,200,000	541,215,000	516,030,000	558,692,618	
Revenue Bonds						
1993 HURF Refunding	2,990,000	-	-	-	-	06/30/07
1996 Refunding	4,750,000	3,850,000	2,900,000	1,900,000	1,550,000	06/30/14
1989 Util Series D (1997)	8,575,000	7,925,000	7,250,000	7,250,000	7,250,000	06/30/22
1989 Util Series E (1998)	30,645,000	29,095,000	27,475,000	27,475,000	27,475,000	06/30/23
2004 Refunding	18,435,000	18,060,000	17,670,000	14,885,000	11,975,000	06/30/16
Total Revenue Bonds	65,395,000	58,930,000	55,295,000	51,510,000	48,250,000	
MPC Bonds						
1998 Various Purpose	350,000	180,000	-	-	-	06/30/08
2001 Scottswater	3,545,000	1,835,000	-	-	-	06/30/08
2004	70,060,000	67,235,000	64,335,000	61,355,000	58,275,000	06/30/24
2004A	40,760,000	40,760,000	40,760,000	40,760,000	39,840,000	06/30/34
2005 Giants Practice Field	19,945,322	19,945,322	19,741,175	19,706,149	19,403,356	06/30/21
2005D Westworld Land Acquisition	46,500,000	46,300,000	46,075,000	45,850,000	45,625,000	06/30/35
2005E Water	88,360,000	88,360,000	88,360,000	86,085,000	83,785,000	06/30/30
Future Bonds	-	17,032,475	116,510,452	115,941,643	113,222,265	06/30/32
Total MPC Bonds	269,520,322	281,647,797	375,781,627	369,697,792	360,150,621	

LONG-TERM DEBT OUTSTANDING

Appendix

Long-Term Debt Outstanding As of 6/30/06 through 6/30/10						
	Balance at 6/30/06	Balance at 6/30/07	Balance at 6/30/08	Balance at 6/30/09	Balance at 6/30/10	Final Payment Date
Scotts Preserve Auth Bonds						
1998 Excise Tax	41,175,000	39,010,000	36,725,000	36,725,000	36,725,000	06/30/24
2001 Refunding	16,545,000	15,820,000	15,070,000	14,290,000	13,475,000	06/30/22
2004 Refunding	22,850,000	22,775,000	22,700,000	20,220,000	17,670,000	06/30/16
Total SPA Bonds	80,570,000	77,605,000	74,495,000	71,235,000	67,870,000	
Certificates of Participation						
Fire/Police Building	7,090,119	6,401,320	5,689,638	4,954,314	4,194,561	06/30/15
Total Certificates of Participation	7,090,119	6,401,320	5,689,638	4,954,314	4,194,561	
Contracts						
U.S. Corps of Engineers	3,106,932	3,034,716	2,958,806	2,879,012	2,795,135	06/30/32
Dial Corporation	155,518	118,518	81,518	-	-	06/30/08
U.S. Patent Office	3,080	3,080	3,080	-	-	01/29/09
Bureau of Reclamation/Westworld	1,485,000	1,430,000	1,375,000	1,320,000	1,265,000	07/29/33
Bureau of Reclamation/TPC	1,595,000	1,540,000	1,485,000	1,430,000	1,375,000	06/10/35
McDowell Sonoran Preserve	5,540,000	4,855,000	4,135,000	3,385,000	2,600,000	06/30/13
Underground Improvement District 104	55,623	41,603	27,582	13,561	-	06/30/10
Motor Mile Marketing	1,200,000	900,000	600,000	300,000	-	06/30/10
Total Contracts Payable	13,141,153	11,922,917	10,665,986	9,327,573	8,035,135	
Special Assessment Bonds						
Existing Districts	5,505,000	4,670,000	3,835,000	3,000,000	2,250,000	01/01/13
Total Spec Assmt Bonds	5,505,000	4,670,000	3,835,000	3,000,000	2,250,000	
Total All Existing Bonds and Contracts	940,586,594	900,344,559	863,696,799	825,563,036	785,743,052	
Total All Future Bonds and Contracts	-	17,032,475	203,280,452	200,191,643	263,699,883	
TOTAL LONG-TERM DEBT OUTSTANDING	\$ 940,586,594	\$ 917,377,034	\$ 1,066,977,251	\$ 1,025,754,679	\$ 1,049,442,935	
Sales Tax Agreements						
<p>The City also has the following sales tax agreements, in which the City's payments are contingent upon the sales tax generated on the sites. These agreements are not included in the Long-term Debt Outstanding in accordance with generally accepted accounting principles. However, they are shown on the debt service schedule for purposes of budget expenditure authority and cash flow planning.</p>						
Entity	Final Payment Date					
Nordstrom	06/30/22					
Promenade	06/30/06					
Waterfront	06/30/12					
Hotel Valley Ho	06/30/19					
Stacked 40's	06/30/14					

COMPUTATION OF LEGAL DEBT MARGINS
June 30, 2006

Net Secondary Assessed Valuation as of June 30, 2006	\$ 4,735,754,578
Debt Limit Equal to 20% of Assessed Valuation	947,150,916

General Obligation Bonded Debt Subject to 20% Debt Limit (net of amounts available in Debt Service Funds for payment on July 1, 2006):

1997 Refunding	\$ 17,405,000
1989 Series I (1998)	4,445,000
1999 Preservation	5,500,000
2001 Preservation	3,455,000
2001 Refunding	36,620,000
2002	9,335,000
2002 Refunding	40,630,000
2003 Refunding	14,925,000
2004	93,100,000
2005 Refunding	74,630,000
2005A	52,500,000
2005B	20,000,000
	372,545,000

Net Outstanding Bonded Debt Subject to 20% Limit	372,545,000
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Legal 20% Debt Margin (Available Borrowing Capacity)	\$ 574,605,916
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Debt Limit Equal to 6% of Assessed Valuation	\$ 284,145,275
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General Obligation Bonded Debt Subject to 6% Debt Limit (net of amounts available in Debt Service Funds for payment on July 1, 2006):

1993 Refunding	\$ 7,590,000
1997 Refunding	1,375,000
1989 Series I (1998)	1,900,000
1999A	3,450,000
2002	5,190,000
2002 Refunding	17,815,000
2004	17,000,000
2005A	72,500,000
	126,820,000

Net Outstanding Bonded Debt Subject to 6% Limit	126,820,000
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Legal 6% Debt Margin (Available Borrowing Capacity)	\$ 157,325,275
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State Regulation

The Arizona Constitution (Article 9, Section 8), provides that the general obligation bonded indebtedness for a city for general municipal purposes may not exceed 6% of the secondary assessed valuation of the taxable property in that city. In addition to the 6% limitation for general municipal purpose bonds, cities may issue general obligation bonds up to an additional 20% of the secondary assessed valuation for supplying such city with water, artificial light, or sewers, and for the acquisition and development of land for open space preserves, parks, playgrounds and recreational facilities.

City of Scottsdale Compliance with State Regulation

This schedule indicates the secondary assessed valuation of property tax within the City of Scottsdale allows a maximum legal bonding capacity of \$947,150,916 for projects subject to the 20% limitation and \$284,145,275 for projects subject to the 6% limitation.

Legal Debt Capacity Used

Based on the City's current outstanding general obligation debt, as of June 30, 2006, the City has used (borrowed) the following legal debt capacity by percentage limitation:

20% limitation	\$372,545,000 or 39.33%
6% limitation	\$126,820,000 or 44.63%

Legal Capacity Available

Based on the City's current outstanding general obligation debt, as of June 30, 2006, the City has available (for borrowing) the following legal debt capacity by percentage limitation:

20% limitation	\$574,605,916 or 60.67%
6% limitation	\$157,325,275 or 55.37%

**General Fund Five-Year Privilege Tax Forecast
By Business Category**

Revenue Category	FY 04/05 Actual	% of Total	FY 05/06 Forecast	% of Total	FY 06/07 Adopted	% of Total	FY 07/08 Forecast	% of Total
Automotive	15,150,000	16%	16,210,500	16%	17,021,025	15%	17,872,076	15%
Construction	18,887,800	20%	21,908,920	21%	23,442,544	21%	25,083,523	21%
Food	5,933,000	6%	6,348,310	6%	6,665,726	6%	6,999,012	6%
Hotel/Motel	4,412,000	5%	4,853,200	5%	5,192,924	5%	5,504,499	5%
Major Dept Stores	7,382,000	8%	8,120,200	8%	8,688,614	8%	9,209,931	8%
Misc. Retail	14,127,000	15%	15,539,700	15%	16,938,273	15%	18,123,952	16%
Other Taxable	5,828,000	6%	6,410,800	6%	6,859,556	6%	7,236,832	6%
Rental	10,483,000	11%	11,321,640	11%	11,887,722	11%	12,422,669	11%
Restaurants	6,589,000	7%	7,247,900	7%	7,755,253	7%	8,298,121	7%
Utilities	3,844,000	4%	4,036,200	4%	4,278,372	4%	4,513,682	4%
Other	1,496,000	2%	1,525,920	1%	1,556,438	1%	1,587,567	1%
Total	94,131,800	100%	103,523,290	100%	110,286,447	100%	116,851,864	100%

Revenue Category	FY 08/09 Forecast	% of Total	FY 09/10 Forecast	% of Total	FY 10/11 Forecast	% of Total
Automotive	18,676,320	15%	19,423,372	15%	20,200,307	15%
Construction	26,839,369	22%	28,583,928	22%	30,298,964	22%
Food	7,348,962	6%	7,716,410	6%	8,102,231	6%
Hotel/Motel	5,779,724	5%	6,068,711	5%	6,402,490	5%
Major Dept Stores	9,854,626	8%	10,593,723	8%	11,388,252	8%
Misc. Retail	19,392,629	16%	20,847,076	16%	22,410,607	16%
Other Taxable	7,671,041	6%	8,208,014	6%	8,782,575	6%
Rental	12,981,690	10%	13,630,774	10%	14,312,313	10%
Restaurants	8,878,989	7%	9,500,518	7%	10,165,555	7%
Utilities	4,761,935	4%	5,000,032	4%	5,250,033	4%
Other	1,619,319	1%	1,700,284	1%	1,785,299	1%
Total	123,804,604	100%	131,272,844	100%	139,098,625	100%

This same analysis by business category was applied when forecasting privilege tax revenues for the Public Safety Privilege Tax (.10%), and Special Revenue Funds: Transportation Privilege Tax (.20%), McDowell Preserve Privilege Tax (.20%) and Preservation Privilege Tax (.15%).

ADA	Americans with Disabilities Act	ITD	Inception To Date
ADEQ	Arizona Department of Environmental Quality	ITS	Intelligent Transportation System
ADOT	Arizona Department Of Transportation	IWDS	Irrigation Water Distribution System
ANTN	Aviation News and Training Network	JCEF	Judicial Collections Enhancement Fund
APS	Arizona Public Service	LEED	Leadership in Energy and Environmental Design
ARS	Arizona Revised Statutes	LTAf	Local Transportation Assistance Fund
ASU	Arizona State University	MAG	Maricopa Association of Governments
AZSTA	Arizona Sports and Tourism Authority	MCSD	Maricopa County Stadium District
CAD	Computer Aided Design; Computer Aided Dispatch (Police)	MPC	Municipal Property Corporation
CAFR	Comprehensive Annual Financial Report	MS	Microsoft
CAP	Central Arizona Project	NACSLB	National Advisory Council on State and Local Budgeting
CAPA	Communications And Public Affairs	NAS	Network Attached Storage
CCTV	Closed Circuit Television	NEP	Neighborhood Enhancement Partnership
CDBG	Community Development Block Grant	NFMA	National Federation of Municipal Analysts
CEF	Court Enhancement Fund	NLC	National League of Cities
CFD	Community Facility District	NPDES	National Pollution Discharge Elimination System
CFO	Chief Financial Officer	O&M	Operations and Maintenance
CGTF	Central Groundwater Treatment Facility	PC	Personal Computer
CIP	Capital Improvement Plan	PD	Police Department
CNR	Citizen and Neighborhood Resources	PKI	Public Key Infrastructure
COP	Certificates Of Participation	PO	Purchase Order
CPA	Certified Public Accountant	PT	Part Time
CPM	Capital Project Management	Rev	Revenue
DAS	Direct Attached Storage	RFP	Request For Proposal
DMZ network	Demilitarized Zone (isolated protected network)	RICO	Racketeering Influenced and Corrupt Organizations
EMT	Emergency Medical Technician	RWDS	Reclaimed Water Distribution System
EPA	Environmental Protection Agency	SAN	Storage Area Network
ESRI	Environmental Systems Research Institute	SCADA	Supervisory Control And Data Acquisition
FAA	Federal Aviation Administration	SPA	Scottsdale Preserve Authority
FCD	Flood Control District	SQL	Structured Query Language
FT	Full Time	SRP	Salt River Project
FTE	Full Time Equivalent	Svc	Service
FTG	Fill The Gap	SW	Software
GAAP	Generally Accepted Accounting Principles	SWAT	Special Weapons And Tactics
GAC	Granular Activated Carbon	TPC	Tournament Players Club
GASB	Governmental Accounting Standards Board	Trf	Transfer
GFOA	Government Finance Officers Association	WTP	Water Treatment Plant
GIS	Geographic Information System	WWTP	Wastewater Treatment Plant
GO	General Obligation		
GPS	Geographic Positioning System		
HR	Human Resources		
HUD	U.S. Department of Housing and Urban Development		
HURF	Highway User Revenue Fund		
HVAC	Heating, Ventilation, and Air Conditioning		
ICMA	International City/County Management Association		
ID	Improvement District		
IGA	Intergovernmental Agreement		
ILM	Information Lifecycle Management		
IS	Information Systems		
IT	Information Technology		

Actual – Actual, as used in the fund summaries and department and division summaries within the budget document, represents the actual costs results of operations. This category is presented on a GAAP basis, with the exception that depreciation and amortization are not budgeted and principal payments on debt in the enterprise funds are budgeted as expenses.

Adopted – Adopted, as used in the fund summaries and department and division summaries within the budget document, represents the budget as approved by the City Council.

Appropriation – An authorization made by the City Council, which permits the City to incur obligations and to expend resources.

Assessed Valuation – A government sets a valuation upon real estate or other property as a basis for levying taxes. An assessed valuation represents the appraised valuation less any exemptions.

Balanced Budget - Arizona State law requires a “balanced” budget, which is “all-inclusive”. Arizona State Revised Statute (42-17151) defines a “balanced” budget as follow:

“Fix, levy and assess the amount to be raised from primary property taxation and secondary property taxation. This amount, plus all other sources of revenue, as estimated, and unencumbered balances from the preceding fiscal year, shall equal the total of amounts proposed to be spent in the budget for the current fiscal year.”

Under Arizona State law “all-inclusive” means if an item is not budgeted (i.e. does not have an appropriation), it cannot legally be spent during the fiscal year. Therefore, the budget must include sufficient appropriation provisions for expenditures related to revenues (e.g., possible future grants) that cannot be accurately determined or even anticipated when the budget is adopted in June. This budgetary flexibility allows the City to comply with the Arizona State law and to pro-actively pursue emerging revenue sources as the budget year unfolds. The contingent expenditure appropriations associated with items such as possible future grants/revenues may not be spent without prior City Council approval during a public meeting.

Base Budget – Cost of continuing the existing levels of service in the current budget year.

Beginning Balance – The beginning balance is the residual non-restricted funds brought forward from the previous fiscal year (ending balance).

Bond 2000 – General Obligation Bonds that were authorized by voters in calendar year 2000 and are secured by the full faith and credit of the issuer. General Obligation Bonds issued by local units of government are secured by a pledge of the issuer's property taxing power, and must be authorized by the electorate.

Bond Funds – Established to account for bond proceeds to be used only for approved bond projects.

Bonds – Bonds are debt instruments, which require repayment of a specified principal amount on a certain date (maturity date), together with interest at a stated rate or according to a formula for determining the interest rate.

Budget – A budget is a plan of financial operation embodying an estimate of proposed expenditures and the means of financing them. Used without any modifier, the term usually indicates a financial plan for a single fiscal year. In practice, the term budget is used in two ways. Sometimes it designates the financial plan presented for adoption and other times it designates the plan finally approved. It is usually necessary to specify whether the budget under consideration is preliminary and tentative, or whether the appropriating body has approved it.

Budget Calendar – The schedule of key dates, which a government follows in the preparation and adoption of the budget.

Budgetary Basis – Budgets are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP), with the exception that (1) encumbrances are considered to be an expenditure chargeable to appropriations; (2) no depreciation is budgeted for proprietary funds; and (3) bond principal in the enterprise funds is subject to appropriation.

Capital Expenditures – the City defines a capital expenditure as using the following three criteria: (1) relatively high monetary values (equal to or greater than \$25,000), (2) long asset life (equal to or greater than five years of useful life, and (3) results in the creation of a fixed asset, or the revitalization of a fixed asset.

Capital Improvement Funds – Established to account for financial resources to be used for the acquisition or construction of major capital facilities. The City maintains several Capital Project funds to ensure legal compliance and financial management for various restricted revenues.

Capital Improvement Plan (CIP) – A capital improvement plan is a comprehensive plan that projects the capital needs of the community. Generally, it is a cyclical process that projects the needs for a set number of years. Capital improvement plans are essential to sound infrastructure and financial planning. The annual capital budget is derived from the long-term CIP.

Capital Outlay – Includes the purchase of land, the purchase or construction of buildings, structures, and facilities of all types, plus machinery and equipment. It includes expenditures that result in the acquisition or addition of a fixed asset or increase the capacity, efficiency, span of life, or economy of operating an existing fixed asset. For an item to qualify as a capital outlay expenditure it must meet all of the following requirements: (1) have an estimated useful life of more than one year; (2) typically have a unit cost of \$5,000 or more; and (3) be a betterment or improvement. Replacement of a capital item is classified as a capital outlay under the same code as the original purchase. Replacement or repair parts are classified under commodities.

Capital Project – Any project having assets of significant value and having a useful life of five years or more. Capital projects include the purchase of land, design, engineering and construction of buildings, and infrastructure items such as streets, bridges, drainage, street lighting, and water systems.

Commodities – Commodities are expendable items purchased through the City-approved centralized purchasing process. This classification includes supplies, repair and replacement parts, small tools, and maintenance and repair materials that are not of a capital nature.

Community Facilities Districts (CFD) – CFDs are special purpose public improvement districts. By utilizing a variety of public funding options such as bonds, special assessments, taxes and user fees, CFDs provide a mechanism to finance public infrastructure, the operation and maintenance of public infrastructure, and enhanced municipal services in qualifying areas.

Consumer Price Index (CPI) – A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency – A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contracts Payable – Contracts payable represents a liability reflecting amounts due on contracts of goods or services furnished to the City.

Contractual Services – Includes expenditures for services performed by firms, individuals, or other City departments. Supplies are not included in the contractual services accounts.

Cost Center – An organizational budget/operating unit within each City division or department.

Court Enhancement Fund – A fund to accumulate fees imposed by the City Court on fines, sanctions, penalties

and assessments for the purpose of enhancing the technological, operational and security capabilities of the City Court.

Debt Service – Paid from the General Fund, is primarily contractual debt related to sales tax development agreements and will vary based on the actual sales tax collections at each developed site.

Debt Service Funds – Established to account for the accumulation of resources and for the payment of general long-term debt principal and interest that are not serviced by the General, Special Revenue, and Enterprise Funds. It does not include contractual obligations accounted for in the individual funds.

Department – The combination of divisions of the City headed by a general manager with a specific and unique set of goals and objectives (i.e., Police, Fire, Financial Services, Water Resources, etc.).

Division – A functional unit within a department consisting of one or more cost centers engaged in activities supporting the unit's mission and objectives.

Encumbrance – Includes obligations in the form of purchase orders, contracts, or other commitments. They cease to be encumbrances when paid, canceled, or when the actual liability is established.

Encumbrance Rebudgets – The balance of unliquidated purchase commitments brought forward from the previous fiscal year.

Ending Balance – The residual non-restricted funds that are spendable or available for appropriation at the end of the fiscal year.

Enterprise Capital Funds – are used to account for utility rates and development fees for specific projects.

Enterprise Funds – Established to account for operations, including debt service that are financed and operated similarly to private businesses - where the intent is the service is self-sufficient, with all costs supported predominantly by user charges. The City maintains three Enterprise Funds to account for Water & Sewer, Solid Waste, and Aviation activities.

Equipment Rental – Represents fees charged to other areas of the City for the maintenance, repair, and replacement of City vehicles. The fee for these charges is returned to the fleet management internal service fund as revenue.

Estimate – Represents the original adopted budget plus any prior year open purchase orders, contingency transfers, approved changes, and anticipated year-end savings.

Excise Debt – Represents debt that is repaid by excise taxes. In this case, the excise taxes used to fund the debt service payments are a portion of the transaction privilege (sales) tax and transient occupancy tax.

Expenditures – Represents decreases in net financial resources. They include current operating expenses, which require the current or future use of net current assets, debt services, and capital outlays.

Fees – Charges for specific services.

Financial Policy – A government's directive with respect to revenues, spending, reserves, and debt management as these relate to government services, programs and capital investment. Financial policy provides an agreed upon set of principles for the planning and programming of government budgets and its funding.

Fiscal Year – A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Scottsdale's fiscal year is July 1 through June 30.

Five-Year Financial Plan – An estimation of revenues and expenses required by the City to operate for the next five-year period.

Forecast – A prediction of a future outcome based on known and unknown factors.

Franchise Fee – Charged to the water and sewer utility fund, is a reimbursement to the general fund for the utility's use of City streets and right-of-ways.

Fringe Benefits – Contributions made by a government to meet commitments or obligations for employee-related expenses. Included is the government's share of costs for social security and the various pension, medical, and life insurance plans.

Full-Time Equivalent (FTE) – A calculation used to convert part-time hours to equivalent full-time positions. Full-time employee salaries are based on 2,080 hours per year. The full-time equivalent of a part-time employee is calculated by dividing the number of hours budgeted by 2,080.

Fund – A fiscal and accounting entity with a self-balancing set of accounts. Records cash and other financial resources together with all related liabilities and residual equities or balances and changes therein. These are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance – The balance of net financial resources that are spendable or available for appropriation.

Fund Summary – A combined statement of revenues, expenditures, and changes in fund balance for the prior year's actual, adopted, estimated budgets, and the current year's adopted budgets.

GAAP Adjustments – Differences arising from the use of a basis of accounting for budgetary purposes that differs from the basis of accounting applicable when reporting on operations in conformity with Generally Accepted Accounting Principles (GAAP). For example, depreciation and amortization in Enterprise Funds are not considered expenses on the budget basis of accounting, but are considered expenses on the GAAP basis.

General Fund – Primary operating fund of the City. It exists to account for the resources devoted to finance the services traditionally associated with local government. Included in these services are police and fire protection, parks and recreation, planning and economic development, general administration of the City, and any other activity for which a special fund has not been created.

General Long-Term Debt – Represents any unmatured debt not considered to be a fund liability.

General Obligation Bonds (G.O. Bonds) – Bonds secured by the full faith and credit of the issuer. G.O. bonds issued by local units of government are secured by a pledge of the issuer's property taxing power (secondary portion). They are usually issued to pay for general capital improvements such as parks and roads.

Generally Accepted Accounting Principles (GAAP) – The uniform minimum standards and guidelines to financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompass the conventions, rules, and procedures necessary to define the accepted accounting practices at a particular time. They include both broad guidelines of general application and detailed practices and procedures. GAAP provides standards by which to measure financial presentations.

Goal – A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

Golf Course Surcharge – A \$1 per nine hole surcharge established in 1994 for all City owned golf courses. Revenue collected from this source is used for capital improvements, debt service on capital improvements, silt management, catastrophic flood funding, and support of the FBR Open golf tournament.

Grant – A contribution by one government unit or funding source to another. The contribution is usually made to aid in the support of a specified function (i.e., education or drug enforcement), but it is sometimes for general purposes.

Grant Capital Funds – are used to account for the proceeds of capital grants.

Highway User Fuel Tax – Gasoline tax shared with municipalities; a portion is distributed based upon the population of the City and a portion is distributed based upon the origin of the sales of the fuel. The Arizona State Constitution requires that this revenue be used solely for street and highway purposes.

Improvement Districts – Consists of property owners desiring improvements to their property. Bonds are issued to finance these improvements, which are repaid by assessments on affected property. Improvement District debt is paid for by a compulsory levy (special assessment) made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Indirect Cost Allocation – Funding transferred to the general fund from enterprise funds for specific central administrative functions, which benefit those funds (i.e., City Manager, Financial Services Department, Human Resources, Legal, etc.).

In-Lieu Property Tax – Charges to the enterprise funds, which compensates the general fund for the property tax that would have been paid if the utilities were for-profit companies.

Intergovernmental Revenues – Levied by one government but shared on a predetermined basis with another government or class of governments.

Internal Service Fund – Established to account for the financing, on a cost-reimbursement basis, of commodities or services provided by one program for the benefit of other programs within the City. The City maintains two Internal Service Funds to account for Fleet and Self-Insurance activities.

Mission – Defines the primary purpose of the City and is intended to guide all organizational decisions, policies, and activities (internal and external) on a daily basis.

Municipal Property Corporation (MPC) – A non-profit corporation established to issue bonds to fund City capital improvements projects.

Needs Assessment – The foundation for determining what City customers feel is needed. Market surveys, public hearings, and boards and commission surveys are conducted.

Objective – Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

Operating Budget – The plan for current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery

activities of a government are controlled. The use of annual operating budgets is required by law in Arizona and is a requirement of Scottsdale's City Charter.

Operating Revenue – Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Ordinance – A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or a constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

Other Fiscal Activity – Refers to various trust and agency funds used to account for assets held by the City in a trustee capacity or as an agent for individuals, other governmental units, and other funds.

Outstanding Debt – The balance due at any given time resulting from the borrowing of money or from the purchase of goods and services.

Pay-As-You-Go Capital Improvement Projects (PAYG) – Capital projects whose funding source is derived from City revenue sources other than through the sale of voter-approved bonds.

Performance Measure – Data collected to determine how effective or efficient a program is in achieving its objectives.

Personal Computer (PC) Replacement Program – Established to centralize the responsibility for personal computer service and the maintenance of computer and printer inventories. Departments are assessed an annual fee based upon their inventory of PCs and printers in use. The charge is accumulated in the PC Replacement Fund and used to replace printers and desktop/laptop computers on a standard replacement schedule.

Personal Services – Include the salaries and wages paid to employees plus the City's contribution for fringe benefits such as retirement, social security, health, and workers' compensation insurance.

Preserve Bonds – Represent excise tax revenue bonds and G.O bonds. The bonds are special revenue obligations of the Scottsdale Preserve Authority payable solely from and secured by either a 0.2% sales tax approved by City voters in 1995 and issued for the purpose of acquiring land for the McDowell Sonoran Preserve or a 0.15% sales tax approved by City voters in 2004 and issued for the purpose of acquiring land and construction of essential preserve related necessities such as proposed trailheads for the McDowell Sonoran Preserve.

Primary Property Tax – Levied for the purpose of funding general government operations. Annual increases are limited to 2.0% of the previous year's maximum allowable primary property tax levy plus allowances for new construction and annexation of new property and tort litigation settlements.

Program – A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the City is responsible. A program differs from a division from the standpoint that cost centers from different departments may make up a program while cost centers from the same department make up a division.

Program Budget – A budget, which allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments.

Property Tax – Based according to value of property and is used as the source of monies to pay general obligation debt (secondary property tax) and to support the general fund (primary property tax).

Proposition 400 (Regional Sales Tax) represents revenues received from the 2004 voter approved 20-year extension of a half-cent transportation sales tax in Maricopa County that was first approved in 1985 to fund freeway construction.

Racketeered Influenced and Corrupt Organizations (RICO) Funds – Funds obtained from an anti-racketeering revolving fund maintained by either the Federal or State government as a result of asset forfeitures from criminal enterprises and are allocated to municipalities for approved non-recurring public safety expenditures.

Rebudget – Carryover represents encumbered and committed funds carried forward to the next fiscal year budget.

Refunding – A procedure whereby an issuer refinances an outstanding bond issue by issuing new bonds. There are generally two major reasons for refunding: (1) to reduce the issuer's interest costs or (2) to remove a burdensome or restrictive covenant imposed by the terms of the bonds being refinanced. The proceeds of the new bonds are either deposited into escrow to pay the debt service on the outstanding obligations when due, or they are used to immediately retire the outstanding obligations. The new obligations are referred to as the refunding bonds and the outstanding obligations being refinanced are referred to as the refunded bonds or the prior issue.

Regional Sales Tax (Proposition 400) represents revenues received from the 2004 voter approved 20-year extension of a half-cent transportation sales tax in Maricopa County that was first approved in 1985 to fund freeway construction.

Reserve – An account which records a portion of the fund balance which must be segregated for some future use and which is, therefore, not available for further appropriation or expenditure.

Revenue Bonds – Bonds payable from a specific source of revenue, which do not pledge the full faith, and credit of the issuer. Revenue bonds are payable from identified sources of revenue and do not affect the property tax rate. Pledged revenues may be derived from operation of the financed project, grants, excise, or other specified non-property tax.

Secondary Property Tax – Levied for the purpose of funding the principal, interest, and redemption charges on general obligation bonds of the City. The amount of this tax is determined by the annual debt service requirements on the City's general obligation bonds.

Self Insurance – The retention by an entity of a risk of loss arising out of the ownership of property or from some other cause instead of transferring that risk through the purchase of an insurance policy.

Service Levels – Describe the present services provided by a City department and/or division within the department.

Sinking Fund – An account into which a debt issuer makes periodic deposits to ensure the timely availability of sufficient monies for the payment of debt service requirements. The revenues to be deposited into the sinking fund and payments there from are determined by the terms of the bond contract.

Special Assessment – A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special Revenue Funds – Established to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. The City maintains the following five Special Revenue Funds: Highway User Revenue, Preservation Privilege Tax, Transportation Privilege Tax, Special Programs, and Grants.

Stakeholder – refers to anyone affected by or who has a stake in government. This term stakeholder includes, but is not limited to: citizens, customers, elected officials, management, employees, and their representatives (whether unions or other agents), businesses, vendors, other governments, and the media.

Street Light Improvement Districts – Formed to provide a means for properties within a district to maintain streetlights within their boundaries. A street light tax is levied against the property owner to cover the cost of electrical billings received and paid by the City.

Tax Rate – The amount of tax levied for each \$100 of assessed valuation.

Taxes – Compulsory charges levied by a government for the purpose of financing services performed for common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. Neither does the term include charges for services rendered only to those paying such charges, such as water service.

Transfers – The authorized exchanges of cash or other resources between funds, divisions, departments and/or capital projects.

Transportation Privilege Tax Capital Fund – Established to account solely for transportation projects.

Trend Analysis – Examines changes over time, which provides useful management information such as the City's current financial situation and its future financial capacity to sustain service levels.

Trust Funds – Established to administer resources received and held by the City as the trustee or agent for others. Use of these funds facilitates the discharge of responsibility placed upon the City by virtue of law or other similar authority.

Unreserved Fund Balance – The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

Unrestricted General Capital Fund – Established to account for transfers-in from the General Fund and for any other activity for which a special capital fund has not been created.

User Fee – The fee charged for services to the party or parties who directly benefits.

ORDINANCE NO. 3681

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, FINALLY DETERMINING AND ADOPTING ESTIMATES OF PROPOSED EXPENDITURES BY THE CITY OF SCOTTSDALE FOR THE FISCAL YEAR BEGINNING JULY 1, 2006, AND ENDING JUNE 30, 2007, AND DECLARING THAT SUCH SHALL CONSTITUTE THE BUDGET FOR THE CITY OF SCOTTSDALE.

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Arizona Revised Statutes (A.R.S.) and the City Charter, the City Council did, on May 15, 2006, make a budget estimate of the different amounts required to meet the public expenses for the fiscal year beginning July 1, 2006, and ending June 30, 2007, an estimate of receipts from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property within the City of Scottsdale, Arizona; and

WHEREAS, following publication of notice as required by law, the Council held a public hearing on June 6, 2006, at which any taxpayer could appear and be heard in favor of or against any proposed expenditure or tax levy; and

WHEREAS, immediately following the public hearing, the Council convened in a special meeting for purposes of finally determining and adopting the estimates of proposed expenditures, which estimates, when adopted, would constitute the budget of the City of Scottsdale for the fiscal year beginning July 1, 2006, and ending June 30, 2007; and

WHEREAS, it appears that publication has been duly made, as required by law, of said budget estimates, together with a notice that the Council will meet on June 20, 2006, in the City Hall Kiva for the purpose of making the primary and secondary tax levies as set forth in said estimates; and

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not, in the aggregate, exceed that amount for primary property taxes as computed in A.R.S. § 42-17051.

BE IT ORDAINED by the Council of the City of Scottsdale as follows:

SECTION 1. The estimates of revenue and expenditures attached hereto as Schedule A, as now reduced or changed, are hereby adopted as the budget of the City of Scottsdale, Arizona, for the fiscal year beginning July 1, 2006, and ending June 30, 2007 ("Fiscal Year 2006/07 Adopted Budget").

SECTION 2. Upon the recommendation of the City Manager, and with the approval of the City Council, expenditures may be made from the budget for contingencies and reserves. The transfer of any sums within any specific appropriation may be done upon the approval of the City Manager. The City Council may, upon request of the City Manager, transfer any unencumbered appropriation balance or portion thereof from one office, department or agency to another.

SECTION 3. Resources from any fund may be used for any to meet the adopted budget, except funds restricted by Federal or State law, or by City Ordinance or Resolution. The City Manager is responsible for managing fund resources to satisfy these requirements, which may be delegated to the City's Chief Financial Officer.

SECTION 4. The City Council approves the cash transfer and budget appropriation in an amount up to \$1,500,000 from the various operating department budgets to the Fleet Fund budget for the initial purchase of vehicles and equipment as approved and included in the Fiscal Year 2006/07 Adopted Budget.

SECTION 5. Pursuant to § 14-20 *et seq.* of the Scottsdale Revised Code, the attached classification/compensation plan is hereby adopted.

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Ordinance No. 3681
Page 2 of 2

SECTION 6. Schedules A through F of the Fiscal Year 2006/07 Adopted Budget, as described below, are attached hereto and incorporated herein by this reference:

Schedule A, Summary Schedule of Estimated Revenues and Expenditures Fiscal Year 2006/07

Schedule B, Summary of Tax Levy and Tax Rate Information Fiscal Year 2006/07

Schedule C, Summary of Revenues Other than Property Taxes Fiscal Year 2006/07

Schedule D, Summary By Fund of Other Financing Sources/(Users) and Interfund Transfers Fiscal Year 2006/07

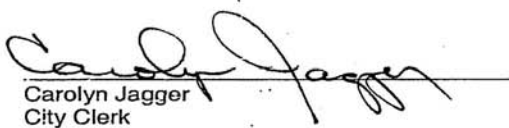
Schedule E, Summary By Department of Expenditures Within Each Fund Fiscal Year 2006/07

Schedule F, Summary of Specific Budget Appropriations Fiscal Year 2006/07

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona, this 6th day of June, 2006.

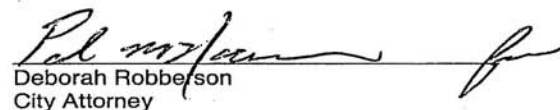
ATTEST:

CITY OF SCOTTSDALE,
an Arizona municipal corporation


Carolyn Jagger
City Clerk


Mary Manross
Mayor

APPROVED AS TO FORM:


Deborah Robberson
City Attorney

SCHEDULE A

CITY OF SCOTTSDALE

Summary Schedule of Estimated Revenues and Expenditures Fiscal Year 2006/07

FUND	ADOPTED BUDGETED EXPENDITURES 2005/06	ACTUAL EXPENDITURES 2005/06*	ESTIMATED FUND BALANCE July 1, 2006**	DIRECT PROPERTY TAX REVENUES 2006/07	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2006/07***	OTHER FINANCING SOURCES/(USES) 2006/07	NET INTERFUND TRANSFERS IN/(OUT) 2006/07	TOTAL FINANCIAL RESOURCES AVAILABLE 2006/07	BUDGETED EXPENDITURES 2006/07
PRIMARY:									
General Fund	\$ 239,288,071	\$ 226,462,139	\$ 69,957,369	\$ 20,065,685	\$ 237,832,843	\$ -	\$ (37,808,116)	\$ 290,047,780	\$ 247,662,449
Special Revenue Funds	62,901,407	59,715,480	43,679,115		113,394,202	-	(32,777,648)	124,295,669	72,802,554
SECONDARY:									
Debt Service Funds	54,947,711	50,566,945	14,238,991	28,711,975	1,477,028	-	28,290,585	72,718,579	60,024,863
Capital Projects Funds	899,686,500	383,335,500	256,856,600		633,789,139	17,400,000	78,441,822	986,487,561	862,921,700
Enterprise Funds	93,805,315	89,893,203	44,424,872		140,668,878	-	(38,470,743)	146,623,007	98,044,040
Expendable Trust Funds	278,677	28,111	4,481		25,000	-	-	29,481	25,000
PRIMARY:									
Internal Service Funds	6,494,084	13,126,919	26,925,095	-	11,126,677	-	2,324,100	40,375,872	12,065,725
TOTAL ALL FUNDS	\$ 1,357,401,765	\$ 823,128,297	\$ 456,086,522	\$ 48,777,660	\$ 1,138,313,767	\$ 17,400,000	\$ -	\$ 1,660,577,949	\$ 1,353,546,331

EXPENDITURE LIMITATION COMPARISON

	2005/06 Estimated	2006/07 Forecasted
1. Budgeted expenditures	\$ 1,357,401,765	\$ 1,353,546,331
2. Add/subtract: estimated net reconciling items	-	-
3. Budgeted expenditures adjusted for reconciling items	1,357,401,765	1,353,546,331
4. Less: estimated exclusions	(1,067,655,249)	(1,010,633,237)
5. Amount subject to the expenditure limitation	\$ 289,746,516	\$ 342,913,094
6. EEC or voter-approved alternative expenditure limitation	\$ 276,392,697	\$ 289,876,227

* Includes expenditure adjustments approved in FY 2005/06 from Schedule E

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Does not include transfers-in

SCHEDULE B

CITY OF SCOTTSDALE
Summary of Tax Levy and Tax Rate Information
Fiscal Year 2006/07

	<u>2005/06</u> <u>FISCAL YEAR</u>	<u>2006/07</u> <u>FISCAL YEAR</u>
1. Maximum allowable primary property tax levy A.R.S. §42-17051(A).	\$ 19,399,009	\$ 20,069,685
2. Amount received from primary property taxation in the 2005/06 fiscal year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18).	\$ -	
3. Property tax levy amounts		
A. Primary property taxes	\$ 19,399,008	\$ 20,065,685
B. Secondary property taxes	28,400,855	28,711,975
C. Total property tax levy amounts	\$ 47,799,863	\$ 48,777,660
4. Property taxes collected*		
A. Primary property taxes		
(1) 2005-06 levy	18,914,033	
(2) Prior years' levies	450,508	
(3) Total primary property taxes	\$ 19,364,541	
B. Secondary property taxes		
(1) 2005-06 levy	27,690,834	
(2) Prior years' levies	671,474	
(3) Total secondary property taxes	\$ 28,362,308	
C. Total property taxes collected	\$ 47,726,849	
5. Property tax rates		
A. City tax rate		
(1) Primary property tax rate	\$ 0.4440	\$ 0.4192
(2) Secondary property tax rate	0.5999	0.5512
(3) Total city tax rate	\$ 1.0439	\$ 0.9704
B. Special assessment district tax rates		

Secondary property tax rates - As of the date the tentative budget was prepared, the city was operating 357 special assessment districts (streetlight improvement districts) for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the City of Scottsdale Accounting Division.

* Includes actual property taxes collected as of the date the proposed budget was prepared plus estimated property tax collections for the remainder of the fiscal year.

SCHEDULE C

CITY OF SCOTTSDALE
Summary of Revenues Other than Property Taxes
Fiscal Year 2006/07

SOURCE OF REVENUES	BUDGETED REVENUES 2005/06	ACTUAL REVENUES 2005/06*	ESTIMATED REVENUES 2006/07
GENERAL FUND			
Taxes - Local			
Privilege & Use Tax (1.0%)	\$ 96,677,130	\$ 103,523,290	\$ 110,286,447
Privilege & Use Tax - Public Safety (.10%)	9,667,713	10,352,329	11,028,645
Transient Occupancy Tax	8,176,500	8,900,000	1,869,000
Light & Power Franchise Fee	5,649,051	5,900,000	6,050,000
Cable TV Franchise Fee	2,754,000	2,900,000	3,282,815
Salt River Project In Lieu Fee	202,864	202,864	202,864
Stormwater Water Quality Charge	630,360	700,360	721,371
Taxes - From Other Agencies			
State Shared Sales Tax	19,025,797	21,000,000	20,630,000
State Revenue Sharing	20,512,126	21,212,126	20,848,490
Auto Lieu Tax	8,925,000	9,300,000	9,579,000
Licenses/Permits/Service Charges			
Business & Liquor Licenses	2,007,747	2,007,748	2,088,058
Building Permit Fees & Charges	15,500,000	19,000,000	17,000,000
Fire Service Charges	-	-	1,000,000
Recreation Fees	2,341,350	2,600,000	2,800,000
WestWorld Equestrian Facility Fees	1,824,209	2,200,000	2,275,000
Fines and Forfeitures			
Court Fines	5,096,000	5,200,000	5,304,000
Parking Fines	213,195	300,000	306,000
Photo Enforcement Fines	2,512,500	2,200,000	2,525,063
Photo Enforcement Fines - 101 Freeway	10,000,000	2,285,000	2,000,000
Library Fines & Fees	612,780	712,780	650,000
Interest Earnings/Property Rental			
Interest Earnings	1,850,000	2,600,000	2,300,000
Property Rental	3,018,400	3,220,000	3,100,000
Other Revenue/Resources			
Miscellaneous	1,020,000	1,300,000	300,000
Reserve Appropriation	23,900,025	9,148,199	11,686,090
Total General Fund	\$ 242,116,747	\$ 236,764,696	\$ 237,832,843

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the budget was prepared, plus estimated revenues for the remainder of the year.

SCHEDULE C

CITY OF SCOTTSDALE
Summary of Revenues Other than Property Taxes
Fiscal Year 2006/07

SOURCE OF REVENUES	BUDGETED REVENUES 2005/06	ACTUAL REVENUES 2005/06*	ESTIMATED REVENUES 2006/07
SPECIAL REVENUE FUNDS			
Transportation/HURF Fund			
Highway User Tax	\$ 14,994,000	\$ 15,100,000	\$ 15,644,279
Privilege Tax (.20%)	18,321,600	20,704,658	22,057,289
Local Transportation Assistance Fund	1,146,323	1,146,323	1,073,258
Prop 400 Regional Sales Tax	-	-	282,160
Total Transportation/HURF Fund	\$ 34,461,923	\$ 36,950,981	\$ 39,056,986
Special Programs Fund			
Transient Occupancy Tax	\$ -	\$ -	\$ 7,476,000
Court Enhancement/JCEF/FTG	995,540	1,349,296	1,184,488
Downtown Cultural/Arts	680,000	680,000	85,000
Human Resources - Cultural Diversity Prog	9,519	10,000	10,000
Police	941,167	789,545	686,680
Community Services	4,213,720	1,432,739	1,467,917
Citizen and Neighborhood Resources	15,172	54,000	25,000
Planning & Development Systems	23,500	31,700	19,215
Fire	1,200	1,200	4,140
Reserve Appropriation	500,000	500,000	1,000,000
Total Special Programs Fund	\$ 7,379,818	\$ 4,848,480	\$ 11,958,440
Preservation Privilege Tax Funds			
Privilege Tax (.20%)	\$ 18,842,100	\$ 20,704,658	\$ 22,057,289
Privilege Tax (.15%)	14,501,570	15,528,494	16,542,967
Interest Earnings	651,669	775,000	798,000
Total Preservation Privilege Tax Funds	\$ 33,995,339	\$ 37,008,152	\$ 39,398,256
Grant Funds			
Community Development Block Grant	\$ 1,929,967	\$ 1,929,967	\$ 2,173,993
HOME Funds	900,000	900,000	405,522
Section 8 Housing	5,640,114	5,640,114	5,564,995
Federal and State Grants	14,971,335	14,971,335	12,236,010
Contingency	2,000,000	2,000,000	2,000,000
Total Grant Funds	\$ 25,441,416	\$ 25,441,416	\$ 22,380,520
Special Districts			
Street Light Districts	\$ 550,000	\$ 550,000	\$ 600,000
Total Special Districts	\$ 550,000	\$ 550,000	\$ 600,000
Total Special Revenue Funds	\$ 101,828,496	\$ 104,799,029	\$ 113,394,202

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the budget was prepared, plus estimated revenues for the remainder of the year.

SCHEDULE C

CITY OF SCOTTSDALE
Summary of Revenues Other than Property Taxes
Fiscal Year 2006/07

SOURCE OF REVENUES	BUDGETED REVENUES 2005/06	ACTUAL REVENUES 2005/06*	ESTIMATED REVENUES 2006/07
DEBT SERVICE FUNDS			
Special Assessment Debt Fund			
Special Assessments - Principal	\$ 1,124,622	\$ 1,124,622	\$ 1,084,884
Total Special Assessment Debt Fund	<u>\$ 1,124,622</u>	<u>\$ 1,124,622</u>	<u>\$ 1,084,884</u>
MPC Excise Debt			
MCSD/AZ STA Contributions	\$ 450,000	\$ 263,350	\$ 252,144
Spring Exhibition Surcharge	140,000	280,155	140,000
Total MPC Excise Debt Fund	<u>\$ 590,000.00</u>	<u>\$ 543,505</u>	<u>\$ 392,144</u>
Total Debt Service Funds	<u>\$ 1,714,622</u>	<u>\$ 1,668,127</u>	<u>\$ 1,477,028</u>
CAPITAL PROJECT FUNDS			
Capital Improvement Program			
Development Fees	\$ 16,414,600	\$ 21,802,700	\$ 23,071,000
Prop 400 Regional Sales Tax	-	-	8,731,400
Interest Earnings	3,177,700	2,120,700	2,172,339
Grant Revenue	15,820,600	13,442,500	8,307,300
Contributions	17,057,000	5,818,400	24,343,000
Miscellaneous Revenue	267,000	1,280,300	1,015,000
Estimated Unexpended Prior Year Budget	580,080,900	580,080,900	551,149,100
Contingent Revenue	4,500,000	2,000,000	15,000,000
Total Capital Project Funds	<u>\$ 637,317,800</u>	<u>\$ 626,545,500</u>	<u>\$ 633,789,139</u>
ENTERPRISE FUNDS			
Water and Sewer Utility Funds			
Sewer Charges	\$ 28,300,594	\$ 27,210,546	\$ 30,374,867
Water Charges	70,297,178	70,389,557	74,680,605
Groundwater Treatment Plant	853,516	853,516	1,005,308
Golf Course Water Charges	308,725	317,942	353,847
Irrigation Water Distribution System	1,958,088	2,389,275	2,086,952
Effluent Sales:			
Pipeline	2,488,759	2,488,759	2,649,919
Treatment Plant	580,635	580,635	600,957
Interest Earnings	1,139,040	1,247,744	1,489,007
Miscellaneous	1,230,433	2,083,949	1,245,936
Reserves	3,650,000	3,575,000	3,650,000
Total Water and Sewer Funds	<u>\$ 110,806,968</u>	<u>\$ 111,136,923</u>	<u>\$ 118,137,398</u>
Aviation Fund			
Airport Fees	3,074,520	3,258,387	3,274,679
Interest Earnings	26,511	60,371	84,465
Jet Fuel Tax	-	92,373	113,660
Total Aviation Fund	<u>\$ 3,101,031</u>	<u>\$ 3,411,131</u>	<u>\$ 3,472,804</u>
Solid Waste Fund			
Refuse Collection	\$ 17,053,666	\$ 17,053,666	\$ 18,006,095
Interest Earnings	64,550	140,000	52,581
Reserves	1,000,000	997,821	1,000,000
Total Solid Waste Fund	<u>\$ 18,118,216</u>	<u>\$ 18,191,487</u>	<u>\$ 19,058,676</u>
Total Enterprise Funds	<u>\$ 132,026,215</u>	<u>\$ 132,739,541</u>	<u>\$ 140,668,878</u>

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the budget was prepared, plus estimated revenues for the remainder of the year.

SCHEDULE C

CITY OF SCOTTSDALE
Summary of Revenues Other than Property Taxes
Fiscal Year 2006/07

SOURCE OF REVENUES	BUDGETED REVENUES 2005/06	ACTUAL REVENUES 2005/06*	ESTIMATED REVENUES 2006/07
EXPENDABLE TRUST FUNDS			
Trusts			
Mayor's Committee for Emp of Handicapped	\$ 10,000	\$ 10,000	\$ 15,000
Contingency	250,000	250,000	10,000
Total Trust Funds	<u>\$ 260,000</u>	<u>\$ 260,000</u>	<u>\$ 25,000</u>
INTERNAL SERVICE FUNDS			
Fleet Management Fund			
Equipment M & O/Acquisition Rates	\$ 12,084,359	\$ 12,084,359	\$ 14,239,948
Miscellaneous Revenue	177,650	225,000	235,000
Interest Earnings	388,061	288,061	384,304
Internal Service Offset	(12,084,359)	(12,084,359)	(14,239,948)
Total Fleet Management Fund	<u>\$ 565,711</u>	<u>\$ 513,061</u>	<u>\$ 619,304</u>
Self Insurance Fund			
Risk Management	\$ 20,354,434	\$ 20,354,434	\$ 27,845,860
Interest	300,000	300,000	550,000
Short-Term Disability Revenue	140,000	140,000	140,000
Unemployment Taxes	65,000	65,000	68,250
Internal Service Offset	(19,362,302)	(19,362,302)	(22,096,737)
Risk Management Reserve	4,000,000	1,393,575	4,000,000
Total Self Insurance Fund	<u>\$ 5,497,132</u>	<u>\$ 2,890,707</u>	<u>\$ 10,507,373</u>
Total Internal Service Funds	<u>\$ 6,062,843</u>	<u>\$ 3,403,768</u>	<u>\$ 11,126,677</u>
TOTAL ALL FUNDS	<u>\$ 1,121,326,723</u>	<u>\$ 1,106,180,661</u>	<u>\$ 1,138,313,767</u>

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the budget was prepared, plus estimated revenues for the remainder of the year.

SCHEDULE D

CITY OF SCOTTSDALE

Summary by Fund of Other Financing Sources/(Uses) and Interfund Transfers
Fiscal Year 2006/07

FUND	OTHER FINANCING SOURCES/(USES) 2006/07	INTERFUND TRANSFERS 2006/07	
		IN	OUT
GENERAL FUND	\$ -	\$ 18,688,415	\$ 56,496,531
SPECIAL REVENUE FUNDS			
Transportation/HURF Fund	\$ -	\$ 3,151,864	\$ 11,097,445
Special Programs Fund	-	210,000	921,867
Preservation Privilege Tax Funds	-	-	24,120,200
Total Special Revenue Funds	\$ -	\$ 3,361,864	\$ 36,139,512
DEBT SERVICE FUNDS			
Debt Service Fund	\$ -	\$ 28,290,585	\$ -
Total Debt Service Funds	\$ -	\$ 28,290,585	\$ -
CAPITAL PROJECTS FUNDS			
Capital Projects Fund	\$ 17,400,000	* \$ 85,265,363	\$ 6,823,541
Total Capital Projects Funds	\$ 17,400,000	\$ 85,265,363	\$ 6,823,541
ENTERPRISE FUNDS			
Water and Sewer Funds	\$ -	\$ 6,823,541	\$ 39,837,292
Aviation Fund	-	-	2,484,964
Solid Waste Fund	-	-	2,972,028
Total Enterprise Funds	\$ -	\$ 6,823,541	\$ 45,294,284
INTERNAL SERVICE FUNDS			
Fleet Management Fund	\$ -	\$ -	167,200
Self Insurance Fund	-	2,500,000	8,700
Total Internal Service Funds	\$ -	\$ 2,500,000	\$ 175,900
TOTAL ALL FUNDS	\$ 17,400,000	\$ 144,929,768	\$ 144,929,768

* Municipal Properties Corporation Bonds

BUDGET ADOPTION ORDINANCE

Appendix

SCHEDULE E

CITY OF SCOTTSDALE

Summary by Department of Expenditures Within Each Fund Fiscal Year 2006/07

Fund/Department	Adopted Budgeted Expenditures 2005/06	Expenditure Adjustments Approved 2005/06	Actual Expenditures 2005/06*	Budgeted Expenditures 2006/07
GENERAL FUND				
General Government	\$ 24,065,727	\$ 805,698	\$ 24,336,605	\$ 26,509,544
Police	67,403,408	4,766,502	68,989,730	79,150,990
Financial Services	8,564,191	(18,000)	8,546,191	9,593,542
Community Services	47,653,351	(595,400)	47,057,849	53,959,898
Information Systems	9,241,654	(16,500)	9,225,155	9,792,542
Fire	26,648,655	110,000	26,758,655	30,351,504
Municipal Services	596,263		596,263	618,063
Citizen & Neighborhood Resources	3,490,790	(98,000)	3,392,794	3,477,329
Human Resources	3,766,345		3,766,345	4,464,761
Economic Vitality	8,060,403		8,060,403	1,461,219
Planning & Development Services	13,853,510		13,853,510	15,350,539
Estimated Department Savings	(3,500,000)		(4,500,000)	(4,800,000)
Debt Service	5,543,749		5,578,639	6,046,428
Reserve Appropriation	23,900,025	(6,298,200)	10,800,000	11,686,090
Total General Fund	\$ 239,288,071	\$ (1,343,900)	\$ 226,462,139	\$ 247,662,449
SPECIAL REVENUE FUNDS				
Transportation/HURF Fund				
Transportation	\$ 13,085,380		\$ 13,090,604	\$ 14,331,915
Municipal Services	12,366,365	(50,000)	12,325,828	13,624,041
Debt Service	3,142,294		3,142,294	3,155,450
Total Transportation/HURF Fund	\$ 28,594,039	\$ (50,000)	\$ 28,558,726	\$ 31,111,406
Special Programs Fund				
Transient Occupancy Tax	\$ -		\$ -	\$ 7,049,630
Court	2,094,668		333,442	3,612,336
Downtown Cultural/Arts	970,000		500,000	712,268
Preservation Rehabilitation	10,000		10,000	110,000
Human Resource	14,001		14,001	15,957
Police	941,167		521,779	877,442
Community Services	2,754,479		2,754,479	4,229,208
Citizen & Neighborhood Resources	15,172		15,172	97,207
Planning & Development Services	23,500		23,500	50,000
Fire	1,200		1,200	4,290
Reserve Appropriation	500,000		-	1,000,000
Total Special Programs Fund	\$ 7,324,187	\$ -	\$ 4,173,573	\$ 17,758,338
Preservation Privilege Tax Funds				
Debt Service	\$ 951,765		\$ 951,765	\$ 952,290
Total Preservation Privilege Tax Funds	\$ 951,765	\$ -	\$ 951,765	\$ 952,290
Grant Funds				
CDBG/HOME/Section 8 Housing	\$ 8,470,081		\$ 8,470,081	\$ 8,144,510
Other Federal & State Grants	14,971,335		14,971,335	12,236,010
Contingency	2,000,000		2,000,000	2,000,000
Total Grant Funds	\$ 25,441,416	\$ -	\$ 25,441,416	\$ 22,380,520
Special Districts				
Street Light Districts	\$ 550,000		\$ 550,000	\$ 600,000
Downtown Enhanced Municipal Svc District	40,000		40,000	-
Total Special Districts	\$ 590,000	\$ -	\$ 590,000	\$ 600,000
Total Special Revenue Funds	\$ 62,901,407	\$ (50,000)	\$ 59,715,480	\$ 72,802,554

* Includes actual expenditures recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures for the remainder of the fiscal year.

SCHEDULE E

CITY OF SCOTTSDALE

Summary by Department of Expenditures Within Each Fund
Fiscal Year 2006/07

Fund/Department	Adopted Budgeted Expenditures 2005/06	Expenditure Adjustments Approved 2005/06	Actual Expenditures 2005/06*	Budgeted Expenditures 2006/07
DEBT SERVICE FUNDS				
GO Debt Service				
GO Bonds/Revenue Bonds	\$ 49,043,123		\$ 45,719,703	\$ 53,007,450
MPC Excise Debt				
MPC Bonds	\$ 4,779,966		\$ 3,724,795	\$ 5,932,529
Special Assessment Debt				
Special Assessment Bonds	\$ 1,124,622		\$ 1,122,447	\$ 1,084,884
Total Debt Service Funds	\$ 54,947,711	\$ -	\$ 50,566,945	\$ 60,024,863
CAPITAL PROJECT FUNDS				
Capital Improvement Program				
Capital Projects	\$ 895,186,500		\$ 380,835,500	\$ 847,921,700
Contingency	4,500,000		2,500,000	15,000,000
	\$ 899,686,500	\$ -	\$ 383,335,500	\$ 862,921,700
Total Capital Projects Fund	\$ 899,686,500	\$ -	\$ 383,335,500	\$ 862,921,700
ENTERPRISE FUNDS				
Water and Sewer Utility Fund				
Financial Services	\$ 2,377,368	\$ (14,500)	\$ 2,362,868	\$ 2,560,495
Water Resources	46,354,006	(117,000)	46,312,048	54,790,128
Debt Service	23,132,947		24,185,114	19,130,738
Reserve Appropriation	3,650,000		75,000	3,650,000
Total Water and Sewer Fund	\$ 75,514,321	\$ (131,500)	\$ 72,935,030	\$ 80,131,361
Aviation Fund				
Transportation	\$ 1,563,624		\$ 1,563,624	\$ 1,720,250
Total Aviation Fund	\$ 1,563,624	\$ -	\$ 1,563,624	\$ 1,720,250
Solid Waste Fund				
Financial Services	\$ 631,598		\$ 631,598	\$ 663,252
Municipal Services	13,606,772	(335,000)	13,271,772	14,529,177
Reserve Appropriation	1,000,000		2,179	1,000,000
Debt Service	1,489,000		1,489,000	-
Total Solid Waste Fund	\$ 16,727,370	\$ (335,000)	\$ 15,394,549	\$ 16,192,429
Total Enterprise Funds	\$ 93,805,315	\$ (466,500)	\$ 89,893,203	\$ 98,044,040
EXPENDABLE TRUST FUND				
Trusts				
Mayor's Com. For Emp. of the Handicapped	\$ 10,000		\$ 10,000	\$ 15,000
Scottsdale Mem. Hosp. Redevelopment	18,677		18,111	-
Reserve Appropriation	250,000		-	10,000
Total Trust Fund	\$ 278,677	\$ -	\$ 28,111	\$ 25,000

* Includes actual expenditures recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures for the remainder of the fiscal year.

SCHEDULE E

CITY OF SCOTTSDALE

Summary by Department of Expenditures Within Each Fund
Fiscal Year 2006/07

<u>Fund/Department</u>	<u>Adopted Budgeted Expenditures 2005/06</u>	<u>Expenditure Adjustments Approved 2005/06</u>	<u>Actual Expenditures 2005/06*</u>	<u>Budgeted Expenditures 2006/07</u>
INTERNAL SERVICE FUNDS				
Fleet Management Fund				
Municipal Services	\$ 11,838,433	\$ 1,860,400	\$ 15,753,213	\$ 15,947,781
Internal Service Offset	(12,084,359)		(12,084,359)	(14,239,948)
Total Fleet Management Fund	<u>\$ (245,926)</u>	<u>\$ 1,860,400</u>	<u>\$ 3,668,854</u>	<u>\$ 1,707,833</u>
Self Insurance Fund				
Financial Services	\$ 22,102,312	\$ 2,500,000	\$ 26,213,942	\$ 28,454,629
Reserve Appropriation	4,000,000	(2,500,000)	2,606,425	4,000,000
Internal Service Offset	(19,362,302)		(19,362,302)	(22,096,737)
Total Self Insurance Fund	<u>\$ 6,740,010</u>	<u>\$ -</u>	<u>\$ 9,458,065</u>	<u>\$ 10,357,892</u>
Total Internal Service Funds	<u>\$ 6,494,084</u>	<u>\$ 1,860,400</u>	<u>\$ 13,126,919</u>	<u>\$ 12,065,725</u>
TOTAL ALL FUNDS	<u>\$ 1,357,401,765</u>	<u>\$ -</u>	<u>\$ 823,128,297</u>	<u>\$ 1,353,546,331</u>

* Includes actual expenditures recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures for the remainder of the fiscal year.

SCHEDULE F

CITY OF SCOTTSDALE
Summary of Specific Budget Appropriations
Fiscal Year 2006/07

	OPERATING BUDGET	CAPITAL BUDGET	OTHER FISCAL ACTIVITY	TOTAL ACTIVITY
Department:				
General Government	\$ 30,944,148			\$ 30,944,148
Police	80,028,432			80,028,432
Financial Services	41,271,918			41,271,918
Transportation	16,052,165			16,052,165
Community Services	58,189,106			58,189,106
Information Systems	9,792,542			9,792,542
Fire	30,355,794			30,355,794
Water Resources	54,790,128			54,790,128
Municipal Services	44,719,062			44,719,062
Citizen & Neighborhood Resources	3,574,536			3,574,536
Human Resources	4,480,718			4,480,718
Economic Vitality	8,510,849			8,510,849
Planning & Development Services	15,400,539			15,400,539
Estimated Department Savings	(4,800,000)			(4,800,000)
Internal Service Fund Offsets	(36,336,685)			(36,336,685)
Debt Service	89,309,769			89,309,769
Capital Improvements		\$ 847,921,700		847,921,700
Other Fiscal Activity:				
Grants			\$ 20,380,520	20,380,520
Trusts and Special Districts			615,000	615,000
Total 2005/06 Budget	\$ 446,283,021	\$ 847,921,700	\$ 20,995,520	\$ 1,315,200,241
Reserve/Contingency Appropriations	21,336,090	15,000,000	2,010,000	38,346,090
Total Budget Appropriation	\$ 467,619,111	\$ 862,921,700	\$ 23,005,520	\$ 1,353,546,331

ORDINANCE NO. 3686

AN ORDINANCE OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF SCOTTSDALE SUBJECT TO TAXATION, A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF ASSESSED VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR THE VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES; ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2007.

WHEREAS, by the provisions of the City Charter and State Statute, an ordinance is required to set the property tax levy for the fiscal year beginning July 1, 2006, and ending June 30, 2007; and

WHEREAS, the county of Maricopa is the assessing and collecting authority for the City of Scottsdale, the Clerk is hereby directed to transmit a certified copy of this ordinance to the County Assessor.

BE IT ORDAINED by the Council of the City of Scottsdale as follows:

SECTION 1. There is hereby levied on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Scottsdale, except such property as may be by law exempt from taxation, a primary property tax levy not to exceed the maximum levy allowed by law for the fiscal year ending June 30, 2007. The total primary levy is \$20,065,685, resulting in a tax rate of \$0.4192 per \$100 of assessed value. Said figure subject to change only if a court decision were to reduce the net assessed valuation in a significant manner.

SECTION 2. In addition to the rate set in Section 1 hereinbefore, there is hereby levied on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Scottsdale, except such property as may be by law exempt from taxation, a secondary property tax rate of \$0.5512 per \$100 of assessed value, which is a rate sufficient to raise the sum of \$28,711,975 for the purpose of providing a bond interest and redemption fund for General Obligation debt service for the fiscal year ending June 30, 2007.

SECTION 3. Failure by the county officials of Maricopa County, Arizona, to properly return the delinquent list, any irregularity in assessments or omission in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer(s) to timely perform any of the assigned duties shall not invalidate any proceedings or any deed or sale pursuant thereto; the validity of the assessment or levy of taxes or of the judgment of sale by which the collection of the same may be enforced shall not affect the lien of the City of Scottsdale upon such property for the delinquent taxes unpaid thereon, and no overcharge as to part of the taxes or of costs shall invalidate any proceedings for the collection of taxes or the foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

Ordinance No. 3686
Page 2 of 2


SECTION 4. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

PASSED AND ADOPTED by the Council of the City of Scottsdale, Maricopa County, Arizona, this
20th day of June, 2006.

ATTEST:

CITY OF SCOTTSDALE,
an Arizona municipal corporation


Carolyn Jagger
City Clerk


Mary Manross
Mayor

APPROVED AS TO FORM:


Deborah Robberson
City Attorney